

## **State of the City 2009 – FINAL DRAFT – 04-23-09**

Overall Theme: ***On the Road to Greatness***

### ***Video: 1min – Introduction video***

#### ***Introduction (1 min)***

I have had the distinct privilege of serving this great city as a public servant and elected official for almost a decade – the last four years as your Mayor. In those ten years, my understanding of the function of city government has grown deeply. So has my appreciation for what the city's 6,000 employees do for our citizens every day. They say everyone has an agenda. Mine is to make this city a better place for my grandchildren.

The City has progressed in several areas, which have been key priorities for your municipal government. The strides we have made on ***Our Road to Greatness*** have genuinely improved our quality of life, bolstered our economic status and enhanced open communication with our constituents so we can better understand what is important to them.

#### ***Milestone: Opening the Lines of Communication (3 min)***

During the last four years, and especially in this last year, we have had a major emphasis on voicing the needs, concerns and points of view of the El Paso community – not only on local, state, and federal levels, but internationally as well.

We, as a promising border community, have important issues. Communicating our views to the rest of the world is important. This communication is especially critical in the wake of national and international media coverage of our International Borderplex.

#### ***Grassroots efforts to listen to the people***

Citizens enjoy increased access to their City government now, more than ever before. This council set a policy goal focused on providing more opportunities for citizen involvement in government. This goal resulted in programs, which not only educate but also solicit input from neighborhoods. I believe your city government values what its constituency has to say. Over a thousand citizens have taken advantage of **Meet the Mayor Days** during the last four years. Your city representatives all have open door policies as well.

#### ***Between the City and State & Federal government***

El Paso has a message to deliver and it has been my honor to represent our community in on several fronts. My position as President of the Texas Municipal League, as a member of the Texas Big City Mayor's Coalition and as a frequent visitor to both our State and Federal capitals I have been able to advocate for our community and to demonstrate that El Paso is ready, willing, and able to take a leadership role in all levels of our government. A couple of examples of our success are the Kay Bailey Hutchison Desalination plant and the expansion of Fort Bliss. It is critical that we maintain a presence and voice at all levels of government.

#### ***Between the City and Ciudad Juarez, Mexico***

In this day and age, we have found that our relationship and communication with our neighbor and Sister City Ciudad Juarez is more significant and necessary than ever before. We have a \$50 billion economy to protect from inaccurate perceptions about our region. We must work with our neighbors to assure we have a strong, safe border that is an asset to El Paso, Texas, and our Nation.

One example of the success we've seen through coordinated efforts and communication has been our sister city notification agreement in which both Ciudad Juarez and El Paso's fire and emergency

management entities share information in the event of a major emergency. They also participate in bi-national training exercises to protect the lives of citizens on both sides of the border.

Recently, it was an honor to be recognized as a co-recipient of the *United States-Mexico Chamber of Commerce Bi-National Border Achievement Award* in Washington D.C. along with **Juarez Mayor Jose Reyes Ferriz**. I think Mayor Reyes would agree that the drive of El Pasoans and Juarensens to work together as we address our international region's status should be the true recipients of our awards.

I believe we have hit a major milestone in El Paso, reaching out with open communication to all who have a stake in the well-being of our community and our region. But don't take my word for it. Take a quick look for yourself.

**Video: 30sec. – Recap**

### ***Milestone: Creating Enhanced Mobility (3 min)***

As we make our way down this **Road to Greatness** it is important that we have alternatives as to how we get there.

Whether it's on a **Sun Metro Express Bus** or on a newly constructed highway interchange, our dedication to enhanced mobility for the El Paso region has been a key focus of this council and we should highlight some noteworthy milestones.

### ***Mass Transit in El Paso***

During our strategic planning sessions, the City Council made Transportation a key priority focus in our vision of El Paso's future. Mass transit improvements were high on our totem pole of project needs. Sun Metro has come a long way – from the days of summer meltdowns to becoming the **2008 Texas Transit Association Outstanding Metropolitan System Award-Winner**. Our Metro transit system is on the way to providing El Pasoans with state-of-the-art public transportation.

**The new Downtown Transfer Terminal** is only the first of four new terminals. All of these new, strategically placed terminals – **Westside, Mission Valley, Glory Road and Downtown** – will greatly strengthen the mass transit system and provide much needed and long-awaited hubs in key areas of El Paso.

Sun Metro's recent successes will not end with improved service results. One of my personal goals has come to fruition with the advent of an **Express Bus Route** now operating in the mass transit system. **Smart 101** is bringing enhanced transit services with fewer stops to passengers traveling between Downtown and UTEP. **Smart 101** is an exciting precursor of the vision of a **Bus Rapid Transit System**.

I am pleased with the steps we have taken to better meet El Paso's mass transit needs.

### ***Hitting the Pavement***

A vehicle, a route or a transit operation is only as good as the road it operates on. The City has focused on critical mobility issues.

Significant growth at **Fort Bliss** and in **Far East El Paso**, the redevelopment of **Downtown**, the opening and future expansion of the **Paul L. Foster School of Medicine** and its medical campus, as well as continued growth of **regional and international commerce** are all major factors influencing the city's need to focus on enhancing our **regional mobility**.

The City Council included all modes of Transportation when we established our strategic transportation goals.

I am confident that our delegation in Austin will responsibly support or oppose transportation legislation that will positively or negatively impact El Paso.

This mobility discussion came at a key time when local transportation entities, to include the **City, TxDOT, El Paso Metropolitan Planning Organization and the Camino Real Regional Mobility Authority**, partnered to create goals and identify specific needs for El Paso's Transportation Network. The result was the creation and adoption of an all-encompassing, multi-modal **Comprehensive Mobility Plan**. Over the next several years, we'll be **investing \$1 billion** into the region's transportation infrastructure.

Anyone wondering if we are serious about mobility should check out our progress. The \$368 million Spur 601 project is testimony that **our Regional Mobility Authority** and the **Texas Department of Transportation** are working with us to improve our transportation infrastructure. Investment into infrastructure does not come without a cost; however, the City is committed to working in tandem with the local mobility entities to find unique methods of financing. One noteworthy accomplishment is the City's creation of the **State's first Transportation Reinvestment Zone**. The TRZ will index today's tax values around a transportation project and dedicate any increased tax revenues as the city's participation into the project.

Additionally, the City will be receiving upwards of **\$96 million for highway** improvements and **\$15 million in transit funding** through the **American Recovery & Reinvestment Act**.

Let's take a quick ride down this multi-modal transportation highway and see what mobility looks like and will look like in El Paso.

**Video: 30sec. – Recap**

**Milestone: Fostering Livability in the Community (3 min)**

Let me ask you: **"What do you think are the basic components of a livable community?"** I can tell you what we've done, but I also expect you to tell us what we might have done differently – that said,

*Quality of Life*

As a testament to our efforts so far:

RelocateAmerica.com, adding to our achievements and our drive to sustain our progress and investments, just this week announced El Paso as one of the Top 100 Places to Live in America.

The City of El Paso's livability portfolio is a diverse one, focused on ways to make government more sustainable, promoting projects and programs which enhance our quality of life, and helping to preserve precious open space. Let me tell you about some of the exciting things we've accomplished over the past year.

The City has established a stand-alone **Sustainability** Office and developed a formal Sustainability plan for City operations. This is the first centralized effort made for El Paso to become a more sustainable municipality. From **adopting Leadership in Energy and Environmental Design (LEED) requirements** for construction of new and renovated City buildings, to taking on a **\$15M energy efficiency project** for the City operation, to creating a community pride and beautification campaign through **our Let's Get to Work initiative**, the City has numerous efforts aimed at reaching our goal of being a more sustainable city.

The City has tried to balance growth, development and preservation. As a testament to our success the City received the **American Planning Association – Texas Chapter's "Community of the Year" award** in recognition of massive planning initiatives recently completed. These include the **Open Space Preservation Plan**, the **First Smart Code for El Paso**, the **First Drainage Design**

**Manual and revised Zoning and Subdivision Ordinances**, to name a few. All of these improvements are steps forward for our City to continue growing in a manner that builds communities.

Adding to our city's **quality of life is a priority**. With over 150 projects from the **2000 Quality of Life Bonds and 2004 Capital Improvement Bonds** completed or substantially completed, we have seen our quality of life amenities strengthened across the City.

Now, we must begin planning for a **2010 Bond election**. This is needed more than ever to support El Paso's unprecedented population growth we've seen as a result of the military expansion at Fort Bliss.

Part of making a community a better place to live is empowering those who live in the community. Through programs such as the **Neighborhood Improvement Program**, the City has given neighborhoods the means to voice their needs and compete for funding of improvement projects in their areas. We have provided over **\$1.5 million** to fund 40 projects in El Paso neighborhoods.

#### ***Social Issue Awareness***

I am passionate about many of El Paso's charitable institutions. I've been fortunate to work with citizens, local businesses and non-profits from all over El Paso to raise **Awareness of the Homelessness** through my **wife's Feed the Homeless** program. She and her volunteers have served more than 10 thousand meals in the past four years. Through the **Big City Mayor's Coalition** we have worked to curb drop-out rates here in El Paso and across the state with the **Walk-Out for Drop-Outs** campaign. We've worked with community stakeholders to perform youth outreach through the **Mayor's Reading Program** and the **100 Teens Program**, both programs are designed to recognize youth for notable efforts in their educational pursuits and community activities.

I must point out that it is only because of the generosity of the business community that these projects have been possible and successful. Thank you, thank you, thank you.

#### ***Housing Authority Revamp***

Housing is a major component of a community. With **23.8%** of the El Paso community **at or under the poverty level**, it is a duty of government to provide housing alternatives. The **Housing Authority of the City of El Paso** has worked for over 70 years to provide safe, decent and affordable housing to economically-challenged families. While the rankings of HACEP remained recognized, criticisms of the governance became a major issue during this administration. A Blue Ribbon Committee was appointed to assess and evaluate the board and provide recommendations that would make the Board a stronger, more cohesive policy-driven panel.

The Committee's recommendations and subsequent implementation have made our Housing Authority an even stronger and more efficient agency than ever before. Now under fresh board leadership and with Gerry Cichon as the new Executive Director, the Housing Authority is making bold moves to better provide a "hand-up" to some 40,000 El Pasoans.

These are only a handful of the major areas in which we have seen great results from our efforts to foster citizens' ability to live their best life in our community. Here's a larger look at what we've been doing for El Paso in this area.

**Video: 30sec. – Recap**

#### ***Milestone: Creating and Supporting Economic Drivers (3 min)***

Looking at the region's economy, it is not difficult to remain optimistic about our city's future. Despite national economic trends and downturns, the impact on El Paso has been tempered and less-scathing.

Today, we are reaping the rewards of years of dedicated efforts to diversify and insulate our economic prosperity by focusing on critical clusters.

### ***El Paso: Medical Mecca***

A significant economic driver is the **Medical Center of the Americas**. It has been a long-time goal of El Paso to create a wide-ranging medical hub that would position our city as the “Health Care Capital for the Population of Tomorrow.” With El Paso positioned and poised as the place for health care delivery, education and research in the Paso del Norte Region, we will see a huge economic impact on our community. With existing anchor tenants like the Paul L. Foster School of Medicine – Texas Tech University Sciences Center and Thomason General Hospital soon to be University Medical Center, it is already visible this Medical Mecca of the Southwest is taking shape. During the last year, we have seen the long-term effort to make this an identifiable and recognized medical center plan area culminate with the integration of the *Medical Center of the Americas Study Area Plan* into the City’s Comprehensive Plan. What this does is give us and the MCA’s stakeholders a strategic and pointed roadmap to follow in realizing the MCA vision.

### ***Revitalizing El Paso***

The City, in its efforts to revitalize key areas of the community, has created new economic opportunities to boost El Paso business and to bring renewal to areas which have long needed assistance. We see the impact the focus on revitalizing our **Downtown** has had. Property values in the Downtown area increased over 27% between 2006 and 2008. With incentives provided by the City, the Tax Increment Reinvestment Zone (TIRZ) focus on public infrastructure needs and enhancements and private investment in housing, buildings and business in the Downtown area, our city’s center already has \$148 million of public and private investment working to change the face of Downtown El Paso.

Neighborhoods that fall into the lower income sectors have not been neglected either. We have paid attention to neighborhoods via the **Neighborhood Revitalization Plan Areas of Lower Dyer and Chamizal**. These first two strategic revitalization areas, will see a **\$50 million, five-year makeover** that will not only improve the neighborhoods physically, but will also improve the social and economic well-being of the residents.

### ***Growing El Paso’s Economy***

As we all know, **Fort Bliss** is a pillar in our economic structure and is a major component of our economic success. If there is any effort we should maintain as a priority for **continued support of growth**, it is the expansion we see at our military installation.

Part of our role in supporting Fort Bliss is the expansion of economic development related to higher value added industries supporting military installations. **REDCO** has played a huge role in enticing and establishing new industry in the El Paso area. We have seen 270 new jobs and \$2.3M worth of capital investment in defense related industry alone.

In the last four years, we have seen **record job creation and attraction** with 23 companies announcing they will locate in El Paso, creating close to 6,300 new jobs and over \$144 million worth of capital investment – these are all new business to El Paso. This is remarkable progress for our City.

El Paso is making headlines with regard to economic news. Since 2007, we have been featured in more than **20 publications** such as the **Wall Street Journal**, **Economic Daily** (China) and numerous other publications around the country and the world. In 2008, we were listed by Forbes Magazine as having the **third best job growth in the country**.

As we continue to focus on Economic Development as a priority for our City, we will celebrate these successes, continue to safeguard the economic assets we have in place, and look at new ways to not

only bring industry to El Paso but support our existing industry and business. Let's see where our economic "drivers" have taken us on the **Road to Greatness**.

**Video: 30sec. – Recap**

**Next Milestone: What the Future Holds (3 min)**

Looking at what will shape El Paso's future in the next several years, we see a City with a brighter, greener, more collaborative and more fiscally conscious direction.

**A Greener El Paso**

We genuinely care about the El Paso we live in and the one we will leave to our children and grandchildren – These are reasons we must ensure that El Paso is a **sustainable community**. With this as a major focus, we can look at the quality of life in our city and impact the economic, social and environmental systems that make up our community.

We will continue to follow and advocate for the **clean-up of ASARCO** and will lend a hand to those who want to help redevelop the site.

**Succeeding through Collaboration**

We are committed to working with all of our neighbors in order to realize opportunities to share in projects and share resources.

One of the most exciting and noteworthy endeavors in this arena is the potential to partner with the City of Las Cruces to institute Rail Runner Service between El Paso and Las Cruces. 17,000 individuals commute daily between the Las Cruces and El Paso/Juarez area for school, business, general travel and recreational purposes. At a meeting just last week, both of our City Councils committed to looking at both short- and long-term steps to make the Rail Runner collaboration a reality.

Locally, our City government is working hand-in-hand with County government to **examine and implement a Shared Services resolution**. Through this collaborative effort, the City and County will be able to build and expand community services in the region, taking advantage of much needed cost savings – starting first in the immediate areas of purchasing, information technology and facilities planning and management.

**Tightening our Economic Belts**

These collaborative efforts are all necessary, especially during such economically challenging times. Going into the upcoming FY2010 budget process, we are already assuming we are starting at a budget some \$10 to \$15 million less than last year's approved budget. This is due to a significant decline in revenues we've seen and been monitoring. While it is possible the economic situation may bottom out, it is more responsible that the City take a conservative fiscal approach. This is especially true when you know we must debt finance the second half of the Police and Firefighters Pension Obligation bond issuance which will help to remedy a long-standing financial problem for the City.

If Council decides to adopt an effective rate to cover the debt portion of the tax rate, we may see slight reductions in service over this year's current levels. In order to best prepare and vet the issues and solutions, the Fiscal Affairs Legislative Review Committee is working with City Staff and the Council as a whole to have the necessary dialogue about legislative priorities that will shape our City's budget. We are committed to adopting an appropriate, balanced and fiscally-responsible budget.

As I close my fourth State of the City Address, I leave you with a vision for what we look to accomplish and will continue to strive for to benefit all El Paso – more aspiring milestones on this Road to Greatness.

**Video: 1 min. – Vision for El Paso - Closer**